

Message Text

CONFIDENTIAL POSS DUPE

PAGE 01 STATE 061186

20

ORIGIN EB-07

INFO OCT-01 FMC-01 NEA-09 SS-15 ISO-00 NSC-05 SSO-00 CCO-00

NSCE-00 CIAE-00 COME-00 DODE-00 DOTE-00 INR-07 NSAE-00

CG-00 OFA-01 DLOS-03 L-02 INRE-00 /051 R

DRAFTED BY EB/TT/MA:RKBANK:EW

APPROVED BY EB/TT/MA:RKBANK

EB/TT:RJWALDMANN

FMC:WJSMITH

NEA:SSOBER

NEA/EGY:FMATTHEWS

S/S - JMEALUM

----- 111968

O 190056Z MAR 75 ZFF4

FM SECSTATE WASHDC

TO USDEL ASWAN IMMEDIATE

AMCONSUL JERUSALEM IMMEDIATE

INFO AMEMBASSY CAIRO IMMEDIATE

C O N F I D E N T I A L STATE 061186

TOSEC 733

E.O. 11652: GDS

TAGS:EWWT, ECON

SUBJECT: CONGESTION SURCHARGE AT ALEXANDRIA

REF: CAIRO 2761; STATE 28840; USDEL ASWAN 172; CAIRO 2750

PASS SECRETARY'S PARTY FOR ATHERTON

1. DEPTOFF DISCUSSED ALEXANDRIA PORT SURCHARGE SITUATION
AT HIGHEST OPERATING LEVELS OF FEDERAL MARITIME COMMISSION

(FMC). UNDER ITS LEGISLATIVE AND REGULATORY MANDATES,
FMC HAS NO REPEAT NO LEGAL POWER TO PREVENT IMPOSITION

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 061186

OF PORT CONGESTION SURCHARGE SINCE GULF/MEDITERRANEAN
CONFERENCE PROPERLY FILED SURCHARGE NOTICE. (THE FMC

COULD IN THEORY HOLD LENGTHY HEARINGS WHEREIN THE CONFERENCE WOULD HAVE TO JUSTIFY THE IMPOSITION AND EXTENT OF THE SURCHARGE. HOWEVER, THE SURCHARGE WOULD STAY IN EFFECT DURING SUCH HEARINGS, AND IN THE INFORMAL OPINION OF FMC OFFICIALS THIS PARTICULAR SURCHARGE APPEARS TO BE JUSTIFIED.)

2. NEVERTHELESS, THE DEPARTMENT (EB/MA) IN CONCERT WITH THE FMC HAS APPROACHED INDIVIDUAL CONFERENCE MEMBERS, INCLUDING LYKES BROS., IN AN ATTEMPT TO HAVE THE CONFERENCE DELAY IMPOSITION OF THE SURCHARGE FOR THE PERIOD

OF TIME THE SECRETARY IS ENGAGED IN HIS CURRENT ROUND OF MIDDLE EAST DISCUSSIONS. WE NOTE THAT UNDER FMC PROCEDURES A PORT CONGESTION SURCHARGE PERMITS VESSEL OPERATORS TO RECOUP ALL LOSSES (PAST AS WELL AS CURRENT) CAUSED BY SUCH CONGESTION. ACCORDINGLY, AN AGREEMENT BY THE CONFERENCE MEMBERS TO DEFER IMPLEMENTATION OF THE SURCHARGE AVOIDS BRINGING ISSUE TO THE FORE DURING THIS ROUND OF MIDDLE EAST TALKS. HOWEVER, THE OUTSTANDING CLAIMS BY VESSEL OPERATORS FOR EXCESS COSTS WILL NOT BE FORGIVEN AND A SURCHARGE DESIGNED TO RECOUP CURRENT AND PAST LOSSES CAN BE EXPECTED TO BE INSTITUTED UPON COMPLETION OF THE SECRETARY'S TRIP.

3. THIS RESULT, A DELAY IN THE IMPOSITION OF THE SURCHARGE, IS NOT OFFICIAL AT THIS MOMENT, BUT WE HAVE BEEN INFORMALLY ASSURED THAT THE CONFERENCE MEMBERS WILL GO ALONG. DEPARTMENT EXPECTS CONFIRMATION OF SURCHARGE DEFERRAL BY EARLY AFTERNOON WASHINGTON TIME, MARCH 19, AND WILL ADVISE ADDRESSEES.

4. VESSEL OPERATORS WERE CONVINCED BY DEPTOFFS AND FMC OFFICIALS THAT THEIR DECISION TO POSTPONE IMPOSITION OF SURCHARGE EXHIBITED A FARSIGHTED RECOGNITION OF THE DELICATE NATURE OF DISCUSSIONS NOW IN PROGRESS IN THE MIDDLE EAST; THE KEY ROLE BEING PLAYED BY THE UNITED STATES AND SECRETARY KISSINGER; AND THEIR POSSIBLE ROLE IN PROVIDING A CLIMATE WHICH COULD ACHIEVE WORLD
CONFIDENTIAL
CONFIDENTIAL

PAGE 03 STATE 061186

PEACE. INGERSOLL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PORT CONGESTION, PORT CHARGES
Control Number: n/a
Copy: SINGLE
Draft Date: 19 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE061186
Document Source: CORE
Document Unique ID: 00
Drafter: RKBANK:EW
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750094-1052
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750336/aaaabfyn.tel
Line Count: 106
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 CAIRO 2761, 75 STATE 28840, 75 USDEL ASWAN 172, 75 CAIRO 2750
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 30 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 JUL 2003 by KelleyW0>; APPROVED <28 NOV 2003 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CONGESTION SURCHARGE AT ALEXANDRIA
TAGS: EWWT, ECON, EG
To: ASWAN JERUSALEM
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006